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JURY CONVICTS LEBANON DENTIST AND HUSBAND IN TAX CASE

CONCORD, NEW HAMPSHIRE - United States Attorney Tom Colantuono announced today that a jury returned verdicts of guilty against Elaine A. Brown, D.M.D., and her husband, Edward L. Brown, on federal income tax and related charges. Dr. Brown owns and operates a dental practice under the name Half Hollow Dental Center in Lebanon, New Hampshire. The Browns reside together in Plainfield, New Hampshire. Dr. Brown is 65 years old, and Mr. Brown is 63.

The jury returned guilty verdicts on every count alleged in the indictment. Specifically, both Dr. Brown and Mr. Brown were convicted on one count of conspiracy to defraud the federal government and one count of conspiracy to structure financial transactions. Dr. Brown was also convicted on five counts of federal income tax evasion, eight counts of failing to collect federal payroll taxes and two substantive counts of structuring. Mr. Brown was convicted of one substantive count of structuring. Finally, the jury determined that the Browns must forfeit more than \$215,000 involved in the structuring transactions, at least a part of which may be satisfied by the forfeiture of their home in Plainfield and/or a professional building they own in West Lebanon, New Hampshire.

After the third day, Mr. Brown failed to appear at trial. The trial proceeded, and the guilty verdicts were rendered, in his absence. The Browns face a maximum term of imprisonment of five years for each of the counts of conviction, except for the substance structuring counts, which carry maximum sentence of ten years. The advisory U.S. sentencing guidelines may recommend less severe sentences, and the final sentencing determination will be made by Chief Judge of the U.S. District Court Steven J. McAuliffe. The U.S. Attorney's Office expects that the actual sentence will be less than the total of the statutory maximum terms. Each count of conviction also carries with it the possibility of a criminal penalty of up to \$250,000. The Browns are scheduled for sentencing on April 24, 2007.

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U.S. Attorney Tom Colantuono stated, "The jury's across-the-board rejection of the

defendants' tax arguments sends a clear message to others who might be tempted to defy the tax laws on similar grounds. We are very satisfied with the verdict."

Douglas A. Bricker, Special Agent in Charge of the IRS-Criminal Investigation in New England stated: "Our tax system depends on fairness and equal compliance with the law. Some people are drawn to anti-tax movements and the false representation that there is no legal requirement to file and pay taxes. Today's verdict clearly reaffirms the repeated rejection of these arguments in the courts."

This matter was investigated by the New Hampshire office of the division of Criminal Investigation of the Internal Revenue Service and the U.S. Postal Inspection Service. The prosecution is being handled by Assistant U.S. Attorney Bill Morse.

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